Tells the Facts and Names the Names

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The Navy Drops Its Wings

From the ramparts of the Pentagon and on storm-tossed seas around the globe, the high command of the US Navy is staring aghast at an impending technical and budgetary Pearl Harbor. Thanks to an unprecedented phenomenon known as "Wing Drop", a $50 billion procurement program is tumbling out of control. Internal navy documents obtained by **CounterPunch** already invoke the specter of "Potential Program Stoppage".

For years, the admirals have been struggling to develop a new plane to enable them to retain the mission of "power projection", meaning the ability to bomb deep inside an enemy coastline from aircraft carriers out at sea. That mission justifies the costly and ponderous carrier task forces and by extension the whole structure of the service.

The recent history of this struggle has largely been one of defeat, most notably in the terrible year of 1991. Routed by the US Air Force in the bloody battles for the public relations high ground in the Gulf War (the video footage of navy bombs and missiles was inferior to that collected by the airmen and was thus excluded from network broadcasts), the admirals suffered another shocking defeat when then Secretary of Defense Richard Cheney canceled the A-12, their answer to the USAF's vaunted F-117 Stealth "fighter".

Cheney had taken churlish exception to naval lies about the cost (300 percent over budget) and technical progress (non-existent) of the plane. Now the navy lacked a major aircraft procurement program and, by extension, the tools for politically engineering big budgets through Congress. Without pork-laden contracts to apportion in members' districts in the time-honored manner the service would be shorn of respect and money.

Reeling from Cheney's savage initiative, the admirals settled on a purportedly austere expedient. They would take the existing F/A-18 "Hornet" — a fighter-attack plane notably deficient in range and bomb-carrying capacity built by McDonnell Douglas — and commission McDonnell to burnish it into a "Super Hornet".

They called it the F/A-18E and argued that there was no need to carry out the time-consuming testing associated with a wholly new plane on the grounds that this was simply an upgrade of an existing model. Plans were crafted to buy a 1,000 planes.

Public-spirited officials within the Pentagon argued that since the proposed aircraft would be at least 20 percent bigger with a different engine and newly designed wing, full scale testing might indeed be sensible. But these nay-sayers were brushed aside in the mad dash for money.

Events since 1992, when the program commenced, have followed an entirely predictable course. Advertised improvements in performance did not materialize. According to one calculation, the Super Hornet can bomb no more than 38 miles deeper inside enemy territory than its derided sibling, the Hornet. At the same time its increased weight means that the plane maneuvers more sluggishly and is thus less capable as an air combat fighter.

Costs have soared. The development bill for the "enhanced" F/A-18 was

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Our Little Secret

New Clinton Sex Scandal

The big question in Washington in mid-January was exactly when President Clinton began his fling with Monica Lewinsky. Today the former intern who caught Bill's eye when she was working for OMB director and White House chief of staff Leon Panetta is 23 and working in the Pentagon, at least until a few weeks ago.

Then Michael Isikoff of Newsweek hotted up his search for a possible affair with her commander in chief, probing when such an affair might have begun. Law enforcement was also involved in the search for Lewinsky. The youngest Lewsinsky could have been at the onset of any relationship with Clinton would have been 18, which at least keeps him clear of any charges of statutory rape.

Apparently spooked by Isikoff's queries, Lewinsky went to ground, as squadrons of reporters scoured Washington for any trace of her. Isikoff should by rights have been savoring a huge scoop on Clinton's cavorting with a young woman with the story breaking days before he was grilled by Paula Jones's lawyers. But Newsweek's editors lost their nerve and held Isikoff's story, just as, when he was at the Washington Post, Isikoff saw the Post's national edition editor, Fred Barbash, spike his exclusive interviews with state troopers in Arkansas about Gov. Bill's sexual odysseys in Little Rock.

How does the Pres find the time? Months ago, we heard allegations of Clinton and Dick Morris carrying on with young women at the Jefferson Hotel. The trysts seemed implausible, but now...

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Blue Movie

The hunt for young Monica was not the only chase for sexual scandal in Washington earlier this month. Democratic Party flacks loyal to Clinton were passing around a flier describing a video-tape of former Paula Jones attorney Gil Davis in a hotel room with a client, discussing matters far afield from Blackstone's Commentaries. The flier purported to describe the hefty Davis saying insistently to his client, "What you really want to do is undress." One eager reporter who ordered the tape was deeply disappointed at the unidentifiable images and garbled dialogue. Just another week in Babylon, folks.

Zbig's Cool Million

There is much jostling for space at the lobbying trough attendant on the oil companies' operations in the former Soviet republics of Central Asia. Among those with trotters firmly ensconced in the front row are former defense secretary Caspar Weinberger, former treasury secretary Lloyd Bentsen, John Sununu and the mighty James A. Baker III. For instant dollar profit however, the prize for most successful feeder may go to Zbigniew Brzezinski.

The former national security adviser to Jimmy Carter recently journeyed to Baku, capital of Azerbaijan and domain of former KGB general Heidar Aliev (who is much fawned on by oilmen these days for his "commitment to democracy"). Zbig was in the country for less than a week, delivered his thoughts to a few select audiences and returned home a round $1,000,000 richer. To spare any tedious necessity of registration as a foreign agent, Amoco handed over the money.

Presumably this reward was not solely reimbursement for the trip. Zbig can be expected to lend his voice in support of the Azeri cause wherever it might be useful. Thus it was that in Moscow recently he was in full tongue, savagely denouncing Russia as a clapped out entity in contrast to the glowing prospects of former appendages such as Azerbaijan.

Brzezinski did however emerge with some credit from his Baku trip. The government there maintains a refugee camp stocked with suitably hapless and deprived looking individuals forced out of their homes by the Armenians in the disputed territory of Nagorno Karabakh. As is routine with important visitors, Zbig was escorted there to survey the hungry victims of Armenian infamy. With his devotion to the Azeri cause thus suitably boosted, his hosts sped him off to an enormous lunch. Brzezinski gazed on the groaning board, noted the sharp contrast with the fare of the refugees, expressed his disgust and stalked out.

Saving Uncle Bob

It is slowly dawning on officials of the IMF, collection agency for international bankers, just what the Suharto family and their friends were up to last fall when they solicited and gratefully accepted an IMF "reform" program. Following the initial collapse of the currency last summer, the major criminals were faced with the awkward problem of extracting their vast local currency holdings and dispatching them to safe haven overseas. For that to happen, dollars had to be provided to the Indonesian government from somewhere.

The IMF solved their problem by rushing funds by the cartload to Jakarta in the forlorn hope that they would be used to pay back the US banks for their improvident loans over the years. The billionaires were then able to cash in their increasingly worthless rupiahs for dollars at a good price, leading inexorably to the

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crash of the last three weeks — which caught the IMF and the US Treasury totally by surprise.

This sequence of events provides context for a recent offhand statement by "Uncle Bob" Hassan, plywood king, despoiler of forests and longtime financial partner and counselor to the Suharto family. Two weeks ago World Bank President James Wolfensohn summoned a meeting of forest rapists in Washington to plead with them not to cut down the remaining trees in SE Asia to raise cash in the current crisis. At the meeting someone solicitously enquired of Hassan if he was not worried by the economic situation back home. "Why should I worry", answered Uncle Bob cheerfully. "We've had all our money in Switzerland for months!"

Poddy Agonistes

We had supposed he was dead, but there was the old neocon blusterer himself, Norman Podhoretz, in the *National Review* for January 26, writing about heroism. Poddy had been invited to talk on this theme at a conference honoring Margaret Thatcher, so he dutifully turned in a speech lashing away at that shagged-out old stalking horse: "The Sixties".

Those days are long gone of course, but somehow Poddy can't forgive or forget. We were once told that he became a right-winger when Jackie turned him down. On this account Poddy hotly admired the Mistress of Camelot and, after Kennedy's death, began to suppose that she reciprocated his passion. Finding her alone in a room at some Manhattan party he pressed his suit. She gazed at him as if at a slug in the rose garden at Middleburg and said in chill tines, "Why Mr. Podhoretz, just who do you think you are?" Next thing you knew, Poddy had joined the Neocons and was rumbling away like Vesuvius about the terrible "antinomian" pass our culture had come to.

In Poddy's view, dreaded "antinomianism"—i.e., rejection of the moral law—began when the Sodomites deified God's law by "inverting the sexual act itself by directing it into the channel of excretion and waste" (which is, when you think about it, not a bad description of the transition of Poddy himself from the path of life to that of editing Commentary).

One can imagine that Baroness Thatcher beginning to snooze somewhat at this point while keeping one ear cocked for mention of her own dear name. As if sensing her impatience, Poddy slides into his main point, which is what when antinomianism creeps in the window, heroism flies out the door. There's some tricky footwork involved here, because the Devil —quintessential antinomian— is heroic in a beastly sort of way, as Milton recognized, but Poddy finesses the difficulty by saying that now we no longer even have antinomian heroes, but merely antiheroes

"I love this company", chants Michael Kinsley at Microsoft pep rallies.

"playing games of trivial pursuit".

Poddy's basic argument is that homosexuals can't be heroes, because they don't want children, thus defying God's injunction in the book of Genesis 1, verses 26-28: "Let us make man in our image, after our likeness: and let him have dominion... over all the earth, and over every creeping thing that creepeth upon the earth... Be fruitful and multiply, and replenish the earth and subdue it".

This is Poddy lashing at the Sixties again. In a famous 1967 essay, "The Historic Roots of Our Ecological Crisis', Lynn White Jr interpreted this Genesis text as meaning, "God planned and fashioned all the natural world explicitly for man's benefit and rule: no item in the physical creation had any purpose save to serve man's purposes." White concluded that "we shall continue to have a worsening ecologic crisis until we reject the Christian axiom that nature has no reason for existence save to serve man."

So it's Poddy Agonistes, bowed between the pillars of the temple, straining to bring the whole structure crashing down on the gays and greens below. And to think how different everything might have been if only Jackie had said yes.

Dirty Doings in St. James

Shintech is the Japanese-owned chemical company doing its damnednest to build the second-largest polyvinyl chloride factory in the world in poor, largely black St. James Parish, Louisiana. The project's backers have been brandishing a door-to-door survey of St. James as proof that locals can't wait to breathe those toxic fumes. The survey was conducted by Louisiana Governor Mike Foster and Ernest Johnson, the head of the Louisiana chapter of the NAACP, who canvassed the black neighborhoods, accompanied by an entourage of state troopers. With this phalanx at their door, many of the locals understandibly said they were all for the project. But now the *Times-Picayune*, berserkly pro-Shintech, has had to publish a poll on local opinion in the parish about the plant. Guess what? The poor blacks overwhelmingly oppose Shintech. The closer the pollsters got to the site of the proposed plant, the fiercer the opposition.

Johnson's support for Shintech was buttressed by a multi-million dollar state grant to a non-profit development company he heads. More than $100,000 in matching funds were chipped in by Entergy, the Louisiana energy conglomerate. People asked, why would Entergy care? We supplied an answer. Entergy owns the real estate where the plant is slated to be built. The $4 million sale to Shintech is contingent on the chemical company getting all of its environmental permits. But we also suggested there might be an even more lucrative motive for Entergy's interest, since the company would be supplying the chemical plant with its power. When Tulane Environmental Law Clinic director Bob Kuehn read our story, he got an economist to figure the annual power bill that Shintech would be paying to Entergy. It came to $70 million.

Kinsley: Love At Last

Friends of Michael Kinsley are growing increasingly worried that his devotion to the Church of Microsoft is descending into fundamentalist fanaticism. It seems that Kinsley is happy to attend pep sessions for executives, chaired by Microsoft VP Steve Bauman at which all present chant "I love the company, I love the company". Queried on this astonishing behavior, the only virgin ever to have appeared on "Crossfire" defensively argues that he and others do it "ironically", but no one is convinced. ■

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CIA's New Watchdog is Kennel Trained

A few days before Christmas, the *Washington Post*'s Walter Pincus reported excitedly that L. Britt Snider, a former staffer at the Senate Intelligence Committee, would be the CIA's new in-house watchdog. "CIA Outsider is Tapped to be Inspector General," ran the headline on the story, suggesting that Snider was fiercely independent and would be counted on to keep a close eye on the agency.

Pincus had it all wrong. Snider maintains a close relationship with CIA director George Tenet. Indeed, the tough watchdog Snider currently works for Tenet as a special assistant for internal investigations and has been employed at the Center for the Study of Intelligence, the agency's in-house think tank, since 1996. (None of this seems to matter to Pincus, who called Snider "the first non-CIA employee" to be picked to be IG.) Snider's relationship with Tenet dates back to the 1980s when Tenet was staff director of the Senate Intelligence committee. Snider worked under him as general counsel for four years.

During his time overseeing the CIA from the Hill, Snider rarely inconvenienced the agency. In the late 1970s, he had a hand in creating the original office of inspector general at CIA. In 1988, Congress strengthened the independence of the IG to compensate for the weak powers given to the office by Snider and others.

There has only been one IG since the new powers went into effect, Frederick Hitz. His tenure saw the highest turnover of CIA directors and the biggest scandals in the agency's 50-year history, most notably the Aldrich Ames affair. Hitz also investigated the murder of two men at the hands of Guatemalan army officers on the payroll of the CIA. He recommended that a few officers be reprimanded but that no one at the agency be fired over the killings. Hitz also concluded that the CIA's failure to notify Congress that the suspected killer was still employed by the agency was due to incompetence, not an intent to deceive. More recently, Hitz went looking for a connection between the CIA and the crack trade in L.A. He found none.

Both Hitz and Snider have tried to protect colleagues and the agency on at least one recent occasion. In 1992, Hitz concluded that Janine Brookner, a former CIA station chief in Jamaica drank heavily, wore suggestive clothing and misused government cars. Brookner denied the charges and blamed disgruntled subordinates for starting a campaign of disinformation against her. She accused Hitz of neglecting to interview witnesses who backed up her version of events.

Brookner and her lawyer, Victoria Toensing, brought their evidence of the botched IG probe to Snider, who promised to look into the matter. But Brookner and Toensing were appalled by Snider's final report, which defended the IG's original investigation. Snider based his findings on interviews of Brookner, her lawyer, and other witnesses. Brookner and Toensing denied being interviewed, as did other witnesses. Snider then amended the report, admitting his staff hadn't talked to all of the people as originally claimed.

Brookner eventually sued the agency for sex discrimination and won a $400,000 settlement. A federal panel that reviews charges of misconduct by IGs investigated Hitz. Shortly before the panel completed its review, which is still classified, Hitz announced he would be leaving to teach at Princeton. ■

Another Bungled Bid: *The CIA's Plots Against Saddam*

The CIA has been doing its utmost, but the Agency's attempts to engineer the assassination of Saddam Hussein have already cost the US taxpayer a little more than $100 million in CIA funds, with nothing to show for the investment except, in the most recent debacle, one Iraqi general and four Jordanian students summarily executed.

Assassination plans cranked once more into life after the Iraqi leader had embarked on the latest confrontation, when he ordered the expulsion of American arms inspectors from Baghdad on October 29.

From Amman, the center for US action against Saddam, a message was sent from the Iraqi opposition, largely financed by the CIA, to a senior Iraqi army officer named Maj-Gen. Talib al-Sadoun who worked in the Baath party headquarters. It was intercepted by Iraqi intelligence. Gen. Sadoun was arrested and executed.

Iraq already had four Jordanian students, two resident in Baghdad, in jail on charges of smuggling car spare parts valued at $850. Normally they would have been punished by a fine or a short prison sentence. Instead Saddam decided to hang them on December 8. A plea for mercy from King Hussein was ignored. Gen Wafiq al-Sammara, the former head of Iraqi intelligence, now in exile, says: "Saddam Hussein thinks the Jordanian government knew about the plot. Therefore he killed the four students to send King Hussein a message".

Eighteen months ago the CIA suffered its worst debacle since the Bay of Pigs when it backed a failed military coup, directed from Jordan, against Saddam Hussein. The Iraqi officers involved were rounded up and shot before they could act. Saddam Hussein rolled up the CIA's elaborate network in Kurdistan. An Iraqi intelligence officer called the CIA station in Amman, the capital of Jordan, asking for the station chief by name and suggested he pack his bags and go back to Langley.

The CIA's nervousness about operations in Iraqi is understandable. Its performance there has been uniformly disastrous since 1991, when George Bush signed a finding telling the agency to create conditions to get rid of Saddam. But the CIA remains in the same quandary today as it had been since 1991. It does not believe it can overthrow Saddam Hussein. Its January 5 analysis of the situation in Iraq says Saddam's regime "appears stable", but it cannot appear to be doing nothing. Once again dissident Iraqis are likely to pay the price for failure. ■

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That Asian Crisis: *"Get Me Rewrite!"*

Now that virtually the entire continent of Asia is in a state of economic meltdown, it's amusing to go back and read what the press and financial experts were saying about the region just a few months ago. No country received greater praise for its masterful economic policies than Indonesia, the country ruled by the General Suharto and whose currency and stock markets are currently collapsing in spectacular fashion.

In December of 1996, Keith Richburg of The Washington Post wrote an article about the "economic miracle" in Indonesia with the headline, "Indonesia's Economic Transformation Gives Birth to Urban Consumer Class; Many in New Elite Apolitical, Viewing Military-Led System as Key to Their Success" (support for the three-decade long dictatorial regime is apparently an "apolitical" stance for the Post). According to Richburg— best known for his recent book in which he thanked god that his ancestors were brought to America as slaves, thereby sparing him the fate of being born in Africa—Indonesia had "undergone one of the most profound economic transformations, from a country of widespread poverty and starvation into one of Asia's fastest-growing economies".

The Post writer marveled at how "teeming slums are being bulldozed for office towers and shopping centers", and said the "middle class seems too comfortable to care" about politics. A political science professor named Juwono Sudarsono told an approving Richburg that unlike in other Asian countries, "the military here has not fired on the middle class. They have saved that for the underclass". Richburg's article was so glowing that Indonesia's ambassador to the US soon wrote a letter to the Post complaining about a minor point but otherwise lauding Richburg for his "superb news story".

Th rest of the press wrote similar tributes to Asia's supposed economic successes. Last April, just months before the crisis erupted, Reuters put out a story on its wire which, citing a UN study, said "Asian Pacific countries are poised to repeat their phenomenal growth of the past decade well into the 21st century". The following month, Money magazine alerted its readers to the "economic miracle taking place today around the Pacific Rim". It urged readers to "cash in on the Asia Boom" which offered opportunities "no investor today can afford to ignore".

June saw more of the same. That month the International Monetary Fund issued a report praising Indonesia for "prudent macroeconomic policies, high investment and savings rates, and reforms to liberalize markets". In mid-month, Business Week wrote a lengthy story about Indonesia that fretted over corruption but otherwise offered an upbeat assessment about life under the wise tutelage of General Suharto. According to the magazine, Suharto had constructed "a remarkable engine of growth, showing flexibility, shrewd fiscal policy and political cunning". On June 30, Time joined in with an article titled "Maturing of the Miracle". It quoted William Overholt of Banker's Trust as saying, "The years of 10 percent growth [in Asia] are gone. But I think the years of 7 percent growth could go on for quite some time."

Following the crash, the experts have deftly shifted course. Richburg wrote a piece on January 4 under the headline "In Hindsight, Signs of Asian Crisis Appear Clear". He indicated that he had long been aware of the potential for catastrophe, saying the crisis had "exposed a mountain of bad debt wrought by shoddy lending practices, and it underscored a generation of corrupt political and business practices".

The conventional wisdom crowd now insists that the way out of the crisis is to follow the recipes of the IMF and the international bankers, exactly those actors who dreamed up the economic policies that led to the crash. The key question now, Time recently wrote, is "whether the IMF's medicine will be taken in the necessary dosage and with the proper speed...That may not be pleasant, but it's probably the only way to go - provided the technocrats, politicians and business leaders have the courage to endure the pain". The three sectors mentioned, of course, are those that will make sure that they feel no pain. As Professor Juwono might put it, they're saving that for the underclass. ■

Bono: The Notes Were Few

Thanks to a reader in Ft. Wayne, Indiana for the following letter:

"Having already been inundated with reminders from the media that we'll always stand in awe of the late Rep. Sonny Bono's "other" contributions to our culture, as well as his ineffable gifts to politics and the overall commonweal:

'Sonny seemed to know only two chords on the piano, so every song he wrote used the same two chords over and over. Harold [Battiste] took these songs and heroically made them sound like real music...You could hear the essence of a song in there somewhere, but it took Harold to make it happen. [Touring with Sonny and Cher] was such a musical nightmare, my concern was just to get the fuck away where I could write and play'. - Mac "Dr. John" Rebennack

Sincerely, David Whiteis"

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meant to be $5 billion. It has already passed $10 billion (although the navy has succeeded in hiding much of that by cooking the books to hide the costs in other budgetary accounts).

Until the latest disaster struck, the Navy planned to buy 548 of the "improved" F/A-18s for just under $90 million each, twice the cost of the older model.

The first hints of disaster surfaced in mid 1996 as soon as pilots began flying the first pre-production models of the F/A-18E. Shaken airmen reported that, while maneuvering as they would inevitably have to do in attacking a target in the air or on the ground, their aircraft were suddenly flipping on their sides. This was dreaded "Wing Drop". There is something terribly wrong with the plane.

Such performance is clearly unacceptable in a combat airplane, which is why the program managers kept the news to themselves while they secured authorization for full production. Their aim was to keep the money flowing while discreetly searching for a fix to the problem.

The fault lies in the design of the wing, but designing a whole new wing would hold up production for as long as three years, dealing a deadly blow to the whole program. Frantic efforts are therefore underway to make minor modifications to the wings (quite certainly eliminating whatever marginal improvements in the aircraft's range that have been achieved), in the hope that production — and the flow of dollars from the taxpayer — will not be interrupted.

The most likely outcome, according to knowledgable officials inside the Pentagon, is that, faced with the unacceptable alternative of scrapping the whole sorry exercise, the navy will make a partial "fix", declare the problem solved and direct the unfortunate pilots to live with the possibility that their planes may flip over at any time.

That this solution is under consideration is apparent from an internal navy "close hold" memo in our possession. The numbing Pentagonese of the language obscures its cold-blooded message, which is that the airmen will be told they are being given a dog to fly and not to hope for anything better. Thus the memo alludes to the "need to implement the mitigation plan of aggressive indoctrination of operational community [i.e. pilots] to help them match expectation to reality of the F/A-18E."

In short, the navy is busy building a plane of vast cost and crippling deficiencies to replace a cheaper one that performed at least as well, while telling the pilots to get over it.

If the worst does happen and the program is canceled, the navy will suffer a bitter blow. On the other hand, worried readers can rest assured that at least McDonnell Douglas (now owned by Boeing) will not suffer.

If the F/A-18E goes down, the navy will have little recourse but to buy many more of the older F/A-18Cs and Ds, for which the contractor will doubtless exact a pretty penny. All of which helps to explain why we are still spending over $250 billion on "defense". ■

EVERY DAMN CENT: PG&E, NRDC & the Poor

Readers may recall our story last year on electric utility deregulation, one of the biggest and least reported scandals of the Nineties. Perhaps the most outlandish episode of that story dealt with the California deregulation bill sneaked through the state's general assembly in September of 1996. The bill sticks ratepayers with the tab for the state's ruinously expensive and inefficient nuclear power plants. This tab came to the ferocious sum of $26 billion. The deal was supported by Ralph Cavanagh, the Natural Resources Defense Council's flunky to the energy business, who claimed the measure would stem global warming.

Now we find that $26 billion just wasn't enough. In December of last year, the California Public Utilities Commission planned to force PG&E, the huge West Coast utility, to pony up a mere $14 million in weatherization projects for low-income housing, a puny sum in contrast to the $26 billion. Lilliputian it may have been, but PG&E fought tigerishly to avoid paying a penny. On December 10, PG&E sent a stern letter to the PUC objecting to the $14 million charge. The company's letter said that while it might seem that the utility was acting out of "self-interest" it was actually serving the higher purpose of defending the integrity of the deregulation bill. As proof the company offered the fact that not only did NRDC support it in this mission, but that its staffer Ralph Cavanagh had actually co-authored the letter. Cavanagh's logic: a deal's a deal. ■

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